

Unemployment drops, but so does number of Miami-Dade workers

HIGHLIGHTS

Struggling Latin American economies continue to hold back local growth

Even so, the unemployment rate fell in June

Broward County had a good month



Hundreds of people attended an event for Employ Miami Dade at DA Dorsey Educational Center in Miami on Monday, December 15, 2014.

BY NICHOLAS NEHAMAS

As Latin American economies struggle and baby boomers age, fewer people are working in Miami-Dade County this year. Yet the unemployment rate is falling as well.

The number of local people with jobs fell from 1.26 million in January to 1.24 million in June, according to a report released Friday by the Florida Department of Economic Opportunity.

The statistics also suggest people who haven't been able to find work are giving up: So far in 2016, the number of unemployed people has fallen from roughly 80,800 to

68,680. The official definition of unemployment is someone looking for work who can't find it. The measure does not count people who have stopped searching.

The shrinking labor force produces a somewhat counter-intuitive result: Even though fewer people are working compared to last month, Miami-Dade's unemployment fell to 5.3 percent in June, down from 5.4 percent in May and 6.4 percent in June 2015. Those numbers are adjusted to account for seasonal changes in the workforce.

5.3 percent

Miami-Dade's unemployment rate in Miami-Dade

"We've seen the Miami area's economy downshift a bit in the first half of this year," said Mekael Teshome, an economist at PNC Bank. "We're not going backwards but there has been a bit of a hiccup in the momentum. That could be a sign of weaker confidence in the regional economy."

Some people giving up on finding a job could be baby boomers who feel they don't have the skills to compete.

"Those [baby boomers] that may have been laid off and haven't been able to find work, we've seen some of those people choose an early retirement rather than keep looking," Teshome said.

The rest of the state and the country as a whole aren't feeling the same slowdown. The state unemployment rate held steady at 4.7 percent in June, unchanged from May and down from 5.3 percent a year ago. The national jobless rate stands at 4.9.

In Broward County, the unemployment rate hit 4.5 percent in June, up from 4.1 percent in May but down from 5.2 percent year-over-year. Broward's figures are not seasonally adjusted, meaning month-to-month comparisons don't say much about the local economy.

In Miami-Dade, Teshome said annual trends still point toward growth. The county created about 18,600 jobs year-over-year, fewer than the pace set during recent years but still positive. The areas with the largest gains in June were Orlando (51,600 jobs), Tampa (43,400 jobs), Fort Lauderdale (35,900 jobs) and Jacksonville (23,100).

The difference? Miami is [particularly dependent on Latin America](#), especially for trade, tourism and real estate. Many economies there are in free fall, including powerhouses like Brazil, an important trading partner.

Even so, Miami's construction industry did well in June, as many condo projects chug toward completion. So did categories that include financial professionals and white-collar workers. But retail, trade and tourism grew at slower rates, likely held back by a strong dollar that's depressing spending from Latin American visitors and corporations.

Strong foundation

Mason Williams, chief investment officer for Coral Gables Trust, said South Florida's fundamentals remain strong, including a [robust if cooling housing market](#) and [strong consumer spending](#).

But he did pointed to one potential problem for businesses: [rising real estate prices](#).

"If the affordability of housing gets out of control, it's going to price out a lot of people that would want to move here," Williams said.

A recent Federal Reserve Bank of Atlanta [survey](#) found that companies in the southeastern U.S. have trouble finding workers with the skills they need, meaning they may need to recruit people from outside the region. The Fed surveyed businesses that were hiring and found 35 percent of them reported not being able to locate qualified candidates for openings.

A partnership between Miami-Dade County and local universities and colleges is [addressing that gap](#). The economic development initiative is meant to train workers and create jobs in targeted industries with good wages and benefits, including aviation, information technology and healthcare. On Thursday, civic leaders [reported](#) creating nearly 45,000 jobs in those areas since 2012.

Local wages have finally started going up, too. That's an encouraging sign, according to Josh Navarro, head of investment in South Florida for J.P. Morgan Private Bank, because wages stayed flat for much of the economic recovery.

"We're seeing three to four percent wage growth in Miami, compared to two percent in the United States," Navarro said. "That's what I want to see for sustained growth in this economy: people making more money."

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